

DOCKET FILE COPY ORIGINAL

ORIGINAL

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP

1440 NEW YORK AVENUE, N.W.

WASHINGTON, D.C. 20005-2111

(202) 371-7000

FIRM/AFFILIATE OFFICES

BOSTON
CHICAGO
HOUSTON
LOS ANGELES
NEWARK
NEW YORK
SAN FRANCISCO
WILMINGTON

BEIJING
BRUSSELS
FRANKFURT
HONG KONG
LONDON
MOSCOW
PARIS
PRAGUE
SINGAPORE
SYDNEY
TOKYO
TORONTO

FAX: (202) 393-5760

EX-111 SLATE FILED

September 22, 1997

BY HAND DELIVERY

Mr. William F. Caton
Acting Secretary
Federal Communications Commission
1919 M Street, N.W., Room 222
Washington, D.C. 20554

RECEIVED

SEP 22 1997

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Re: Ex Parte Communication in Docket No. ET 97-82

Dear Mr. Caton:

Pursuant to Section 1.1206(b)(1) of the Commission's rules, General Wireless, Inc. ("GWI") hereby submits an original and two copies of this Notice of Ex Parte Communication.

On September 19, 1997, GWI submitted an ex parte letter (enclosed) to the Commission regarding the "full price buy-out" proposal set forth in a September 16, 1997 letter to Chairman Hundt from Representatives W.J. Tauzin and Edward J. Markey. GWI indicated in the September 19th letter that it could consider such proposal, but only under certain conditions, including the condition that the discount rate be applied to the "remaining government debt." GWI hereby clarifies that the discount rate should be applied to the net cash bids for all of GWI's licenses, as described in the September 16th letter, and not to GWI's remaining government debt.

Respectfully submitted,

Jay L. Birnbaum /mtt

Jay L. Birnbaum
Counsel for General Wireless, Inc.

Enclosure

cc: Jackie Chorney

022

FILE COPY

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP

1440 NEW YORK AVENUE, N.W.
WASHINGTON, D.C. 20005-2111

FAX: (202) 393-5760

(202) 371-7000

FIRM/AFFILIATE OFFICES

BOSTON
CHICAGO
HOUSTON
LOS ANGELES
NEWARK
NEW YORK
SAN FRANCISCO
WILMINGTON

BEIJING
BRUSSELS
FRANKFURT
HONG KONG
LONDON
MOSCOW
PARIS
PRAGUE
SINGAPORE
SYDNEY
TOKYO
TORONTO

September 19, 1997

BY HAND DELIVERY

Mr. William F. Caton
Acting Secretary
Federal Communications Commission
1919 M Street, N.W., Room 222
Washington, D.C. 20554

RECEIVED

SEP 19 1997

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Re: Ex Parte Communication in Docket No. ET 97-82

Dear Mr. Caton:

Pursuant to Section 1.1206(b)(1) of the Commission's rules, General Wireless, Inc. ("GWI") hereby submits an original and two copies of this Notice of Ex Parte Communication.

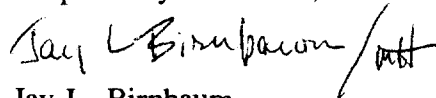
On September 18, 1997, the undersigned spoke via telephone with Jackie Chorney of the Chairman's Office regarding the "full price buy-out" proposal set forth in a September 16, 1997 letter to Chairman Hundt from Representatives W.J. Tauzin and Edward J. Markey. The undersigned indicated that GWI could consider such proposal, but only under the following conditions: (1) the discount rate to be applied to the remaining government debt must be at least 15%; (2) licensees should be afforded at least 180 days from the date of the order adopting alternative payment terms to raise additional capital to pay towards their licenses; and (3) licensees should not be restricted in any manner from participating in a re-auction for any licenses, including their own in the case that they could not raise sufficient capital during the 180-day time period to buy back all of their existing licenses.

GWI sent via facsimile the enclosed submission to Ms. Chorney regarding the "full price buy-out" proposal. The mere fact that GWI would consider such a proposal does not mean that GWI believes that the "full price

Mr. William F. Caton
September 19, 1997
Page 2

buy-out" proposal would provide reasonably equivalent value to GWI or that 15% is a fair and appropriate discount rate. It simply reflects the fact that GWI is attempting to work with the Commission toward a consensual solution to the existing problem.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Jay L. Birnbaum" followed by a stylized flourish or initials.

Jay L. Birnbaum
Counsel for General Wireless, Inc.

Enclosure

cc: Jackie Chorney

TO: Federal Communications Commission

General Wireless, Inc. welcomes the Commission's efforts to broaden the options available for resolving the C-Block crisis. The "full price buy out" alternative being discussed by the Commission has merit, but unfortunately does not address the fundamental problem of adjusting license costs to current fair market value. Without this alignment, the prospects of attracting the financing required to reach viable size or scale of economic operation by only purchasing its existing licenses, even at Net Present Value using a discount rate of 15%, are extremely low.

If licensees are offered the right to use their down payment to purchase existing licenses, and later to participate in the re-auction on the same terms as other participants, the opportunity to purchase additional licenses at market value could create a viable opportunity. In addition, it might be possible to "average down" from the cost of licenses purchased with the down payment and create an average per/Pop license cost which could be financed in public capital markets. Furthermore, licensees should have sufficient time, such as up to 30 days prior to the re-auction, to raise new money in order to execute a cash purchase of at least one or more major BTA licenses that General Wireless has acquired.

For General Wireless, the fundamental problem has been and continues to be reaching a solution which will permit public financing in the current market environment. We strongly urge the Commission to allow licensees to participate in a re-auction on the same basis as other participants if this option represents an alternative to bankruptcy.